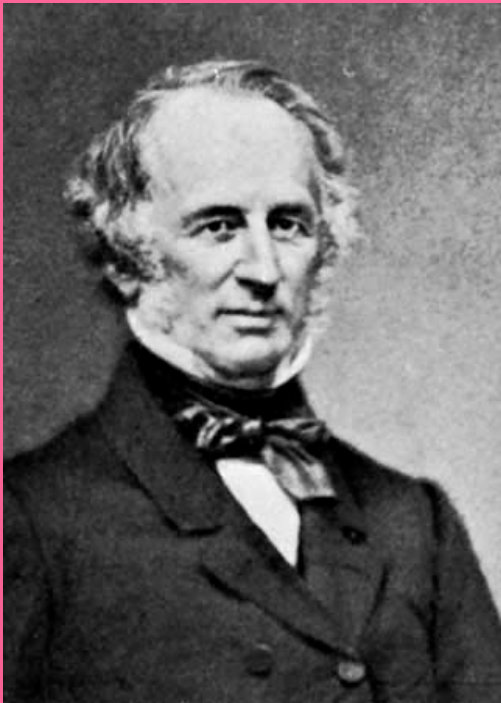


# CORNELIUS VANDERBILT



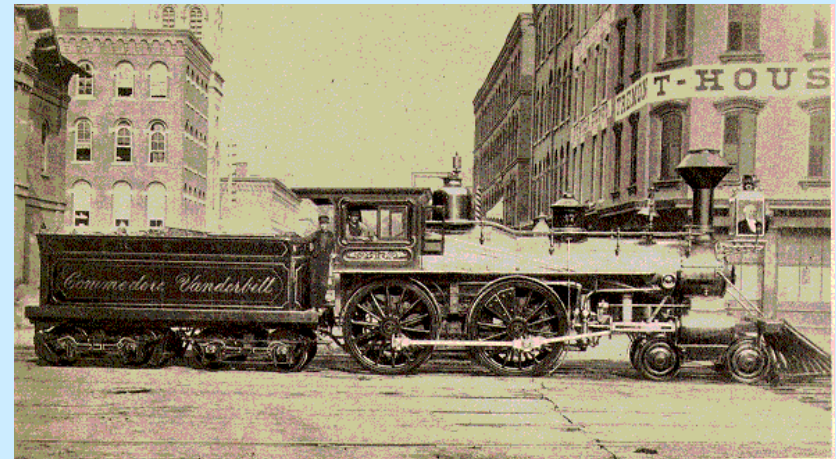
**Born: May 27, 1794**  
**Died: January 4, 1877**

# Business Events

- ◆ 1853 - Built a steam yacht, the North Star, to travel Europe
- ◆ 1857 - Became a director of the RR
- ◆ 1867 – December 11<sup>th</sup> elected to president of the RR
- ◆ Merged the New York Central, and the Hudson River railroad, gaining profits
- ◆ 1868 – made a new and larger freight yard on the western side of Manhattan
- ◆ By 1869, controlled RR stretching from New York to Chicago
- ◆ 1871 - Construction of the first terminal at Grand Central Station began
- ◆ 1871 - Partnership with the New York and New Haven railroads emerged

# Industry and Trade Involvements

- ◆ Steam boats
  - Leases vessels to the Union Government
- ◆ Railroads
  - Becoming president of the company



# Target Market

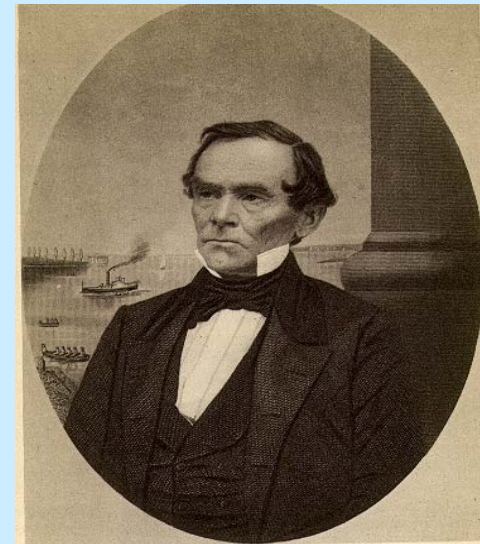
- ◆ New Yorkers
- ◆ Started out for the upper class at \$4 per person, but then was lowered to \$1
- ◆ Upped the cost of food on the boats
- ◆ Comfortable accommodations



↑  
The Vanderbilt's Summer Home

# Competition

- ◆ Daniel Drew - forced out of the vessel industry by Vanderbilt
- ◆ James Fisk and Jay Gould - Drew's associates
- ◆ Drew and Vanderbilt argued over who would let their vessels travel on the Erie river



Daniel Drew



# Horizontal Integration



- ◆ He spread out his railroad business to different places in the United States
- ◆ He connected some of his railroads



# Cost Cuts (Horizontal Integration)



- ◆ He received more money when he made his business larger and he expanded his business

# Vertical Integration

- ◆ Lowered the cost for people to get onto his boats
- ◆ Made the prices of the food on the boats higher





# Cost Cuts (Vertical Integration)

- ◆ Cutting the cost to board the boats made it easier for other people to travel on the boats
- ◆ He received more business by cutting the cost

“I have been insane on the subject of moneymaking all my life.”

--Cornelius Vanderbilt

# Money He Made

- ◆ Used the money to help his railroad business
- ◆ Expanded his railroads
- ◆ Made more vessels for people to travel on

“I don't care half so much about making money as I do about making my point, and coming out ahead.”

--Cornelius Vanderbilt

# Impact on Industry or Trade

- ◆ Vessels
  - He produced more which made this industry grow
- ◆ Railroads
  - He was hardworking, competitive, and reliable



↑  
His Statue

# Impact on the United States

- ◆ Transported more people throughout Eastern United States
- ◆ Connected his the railroads he had

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